



EXHIBIT 21
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HB 2

January 14, 2007

TO: Members of the Human Services Sub-Committee

FROM: Claudia Clifford, Associate State Director – Advocacy, AARP Montana

RE: Support of budget appropriation for Big Sky Rx and other pharmacy programs under SB 324

Madame Chair, for the record my name is Claudia Clifford, Associate State Director of AARP Montana, a non-partisan, non-profit organization with 153,000 members in this state. I am here today in strong support of the governor's recommended budget for Big Sky Rx and the other pharmacy program authorized by SB 342 of last session.

SB 324 was well supported last session, 94 votes in the House and 40 votes in the Senate. This bill authorized a number of pharmacy related programs (see handout):

- Big Sky Rx – a program to help pay Medicare Part D premiums for eligible people up to 200% FPL.
- PharmaAssist – consultations with pharmacists for any Montanan on cost savings, drug interactions, access to assistance. Educational websites and materials on wise use of drugs and comparative effectiveness.
- Rx Plus - discounts for the uninsured.

The last year and a half has been a confusing time for Medicare beneficiaries who have been bombarded with information about Medicare Part D by numerous national organizations, over 40 insurance companies, and the federal government. Seniors and family members were confused, frustrated, and lost as they tried to sort through the din of information. None of this national information included a word about state programs like Big Sky Rx. Needless to say Big Sky Rx is just beginning to be discovered as seniors get more familiar with Medicare Part D. The outreach for this program will not be easy. Part D is still confusing and Montanans need the help of trained SHIP counselors or others to sort through all the options. This is not a job for volunteers as AARP discovered.

The potential for Big Sky Rx is significant: about 20,000 Montanans could get \$33 a month to pay for prescription drug coverage. These are people who could easily spend down to Medicaid eligibility and it's important to get them on a Part D plan. Although, Big Sky Rx enrollment is at about 3,500 enrollees, other states with well established similar programs have high enrollments. NCSL has a very good report of State Pharmacy Assistance Programs as background. For comparison, look at the time it took the CHIP program to grow enrollment and it didn't have to compete with a loud and confusing mass of information about Part D. The federal government with all its resources is also

struggling with outreach to the very low income Medicare people who can qualify for LIS assistance.

In addition, SB 324 authorized other programs that are still being planned, but not fully implemented yet. I am excited that sometime in 2007 Montanans will begin to benefit from the PharmAssist consultation program and from more information on the use and effectiveness of certain prescription drugs. The Rx Plus Discount program is based on a program first started in Maine and more recently adopted in Oregon and California. AARP national is arranging for the Lewin Group to help Montana and other states implement Rx Plus. I urge the committee to give DPHHS two more years to implement the comprehensive programs of SB 324.

I urge the committee to approve the department's request for an appropriation that will allow Big Sky Rx and the other programs of SB 324 to reach full potential.

As a footnote, the legislature will consider the governor's proposal to allocate the leftover SB 324 funds from FY '07 and the next biennium for an Older Montanans Trust Fund in SB 155. The first priority is to grow and fund the pharmacy programs. We support the idea of using the ending fund balances to benefit seniors in the future since our aging population will grow 112% by 2030, significantly changing the demographic balance of our state. As the pharmacy programs grow, the Older Montana Trust will need a different source of funding, but it is wise to start preparing for our aging population.